

Safe Harbor

In the presentation that follows and in related comments by General Motors management, our use of the words “expect”, “anticipate”, “estimate”, “forecast”, “objective”, “plan”, “goal”, “project”, “priorities/targets,” “outlook” and similar expressions is intended to identify forward looking statements.

While these statements represent our current judgment on what the future may hold, and we believe these judgments are reasonable, actual results may differ materially due to numerous important factors that are described in GM's most recent report on SEC Form 10-K which may be revised or supplemented in subsequent reports on SEC Forms 10-Q and 8-K. Such factors include, among others, the following: changes in economic conditions, currency exchange rates or political stability; shortages of and price increases for fuel, labor strikes or work stoppages; market acceptance of the corporation's new products; significant changes in the competitive environment; changes in laws, regulations and tax rates; and, the ability of the corporation to achieve reductions in cost and employment levels to realize production efficiencies and implement capital expenditures at levels and times planned by management.



Financial Outlook & Business Objectives

John Devine
Vice Chairman & CFO

Agenda

- 2004 Review
- 2005 Industry Outlook
- 2005 Targets & Objectives

2004 “Year in Review”

Wins

- Expect to meet 2004 earnings target
- Record GMAC performance
- Despite tougher market, record GMAP profitability and market share
- LAAM back into the black
- Market share increases in 3 of 4 regions (volume up 4%)

Challenges

- Insufficient core Automotive profitability
- Rising health care costs
- U.S. market share performance
- Restructuring of GME
- Rising interest rates

2004 CY Priorities/Targets

■ Priorities

- \$6.00-\$6.50 EPS* G
- Operating cash flow of \$5B Y
- Grow share in all regions Y

■ Regional/Sector Income Targets

- North America: \$1,000-\$1,400M G
- Europe: \$0-\$100M R
- LAAM: \$(200)M-\$ (100)M G
- Asia-Pacific: \$700-\$800M G
- GMAC: >\$2,000M G

■ Other Metrics

- Structural cost: >\$500M reduction (Auto Ops.) G
- Capital spending of \$7B G
- Material cost reduction: 3.5% GMNA/3.0% GME G/Y

* EPS excluding any special items; at current dilution levels

Agenda

- 2004 Review

- 2005 Industry Outlook

- 2005 Targets & Objectives

2005 Global Economic Outlook

- Global GDP growth projected at 3.0% – 3.5%
- Some moderation in U.S. economic growth – 3.5% GDP growth vs. 4.4% in 2004
- Europe growth rate consistent with 2004 (2.0%-2.5%)
- Asia-Pacific growth remains a positive
- LAAM's strong recovery should continue

2005 Industry Outlook

- Global industry sales flat to up slightly
- Sales growth in China/other emerging markets continue to outpace developed markets
- Consumer affordability conditions to remain favorable
 - Pricing pressures still challenging in major markets
 - Oil prices expected to remain in the low \$40-\$43/bbl
 - New products stimulating demand
 - Continued rise in U.S. interest rates

Agenda

- 2004 Review
- 2005 Industry Outlook
- 2005 Targets & Objectives

2005 Priorities

- \$4.00-\$5.00 EPS*
- Operating cash flow of \$2 billion**
 - Capital spending of \$8B
- Grow global volume

* Excluding any special items; at current dilution levels

** Excludes any one-time items

GMNA – 2005 Industry Overview

■ Industry assumptions

- U.S. industry roughly flat with '04
- U.S. industry mix continues to richen
- Canada to grow slightly, while Mexico holds steady

■ GM mix/volume assumptions

- Expect 25% of volume to be new vehicles*
- Negative mix because of product cycle timing

■ Industry pricing assumptions

- Flat industry pricing
- Industry revenue per vehicle will continue to grow

* Includes products introduced mid-year 2004 CY or in 2005 CY

U.S. Pension Expense

\$ Billions	2003 Actual	2004 Actual	2005 Outlook
U.S. Pension Expense ¹	2.6	1.4	1.2
Related Interest Expense	0.5	1.0	1.0
Total Expense	3.1	2.4	2.2
YE Funded Status ²	0.3	3.0	–
YE Discount Rate (%)	6.00%	5.75%	–
Actual Asset Returns (%)	22%	14%	9% ³
Contributions	18.5	0.0	0.0

¹ Pension expense excludes FAS88 and Retiree Lump sum

² YE Funded Status reflects U.S. Hourly and Salaried Pension Plans only

³ 2005 assumptions

U.S. Health Care Spending and OPEB Expense

\$ Billions	2003 Actual	2004 Estimate	2005 Outlook
U.S. OPEB Expense	4.3	4.3	5.3
<u>Assumptions</u>			
Y-E Discount Rate	6.25%	5.75%	—
OPEB Health Care Trend Rate ¹	7.25%	8.50%	10.50%
OPEB Liability	64.5	73.8	—
VEBA Assets	10.0	20.0 ²	—
Net Liability	54.5	53.8	—
U.S. Health Care Cash Payments			
Active	1.6	1.6	1.7
Retired	3.2	3.6	3.9
Total Cash	4.8	5.2	5.6

¹ OPEB trend rate in initial year; ultimate trend rate assumed to be 5.0%

² Includes Q4 '04 contributions of \$ 4.0B

GMNA – 2005 Earnings Outlook

- Expect 2005 net income of \$500 million
- Lower earnings driven primarily by increase in health care expenses and lower mix
- Continued focus on cost reduction/performance improvements
 - Facilities rationalization/employee attrition
 - Positive material performance but reduced from '04
- Maintain aggressive product portfolio roll-out

GME – 2005 Outlook

- **Industry assumptions**
 - Industry volume expected to be 20.2M-20.4M (down 2%)
- **GM volume assumptions**
 - Increased volume driven by new Opel/Vauxhall and Chevrolet products
- **Pricing/FX assumptions**
 - Continued pricing pressure in key markets
 - Weaker U.S. \$ vs. SEK and Euro, and weaker British pound vs. Euro adversely impact GME
- **Expect 2005 loss of \$(500) million**

GMAP – 2005 Industry Overview

- **Economic growth coming off a peak**
 - Stronger currencies/moderating total export growth
 - China's soft landing
 - Japan's expansion to slow, South Korea's domestic demand continues to struggle

- **Industry expected to be 17.6M vehicles (up 4%)**
 - China industry of 5.6M (up 6%)
 - Strong growth in India and Thailand
 - Japan, South Korea, and Australia relatively flat

- **Expect continued pricing pressures in China**
 - Modest price pressure in Korea/Australia

China – 2005 Industry Overview

- China remains largest growth market
- Vehicle sales growth slowed since Q2 '04
 - Government's decision to cool economy
 - Auto financing restricted
 - Repeated price cuts prompted consumer "wait-and-see" attitude
 - Gasoline prices up significantly
- Stronger industry growth to resume in 2H '05
 - Vehicle demand/economic growth remains positive

GMAP – 2005 Earnings Outlook

- Expect net income of \$600 million
- Continue to build on successful China growth
 - China very profitable though with reduced earnings
 - Continue to expand capacity/product development capabilities along with Cadillac/Chevrolet brands
- Continue expansion of GMDAT product/design capability
 - Expect significant growth in global export volume
 - Targeting breakeven in 2005
- Continued profitable performance from GM Holden and Thailand/India operations

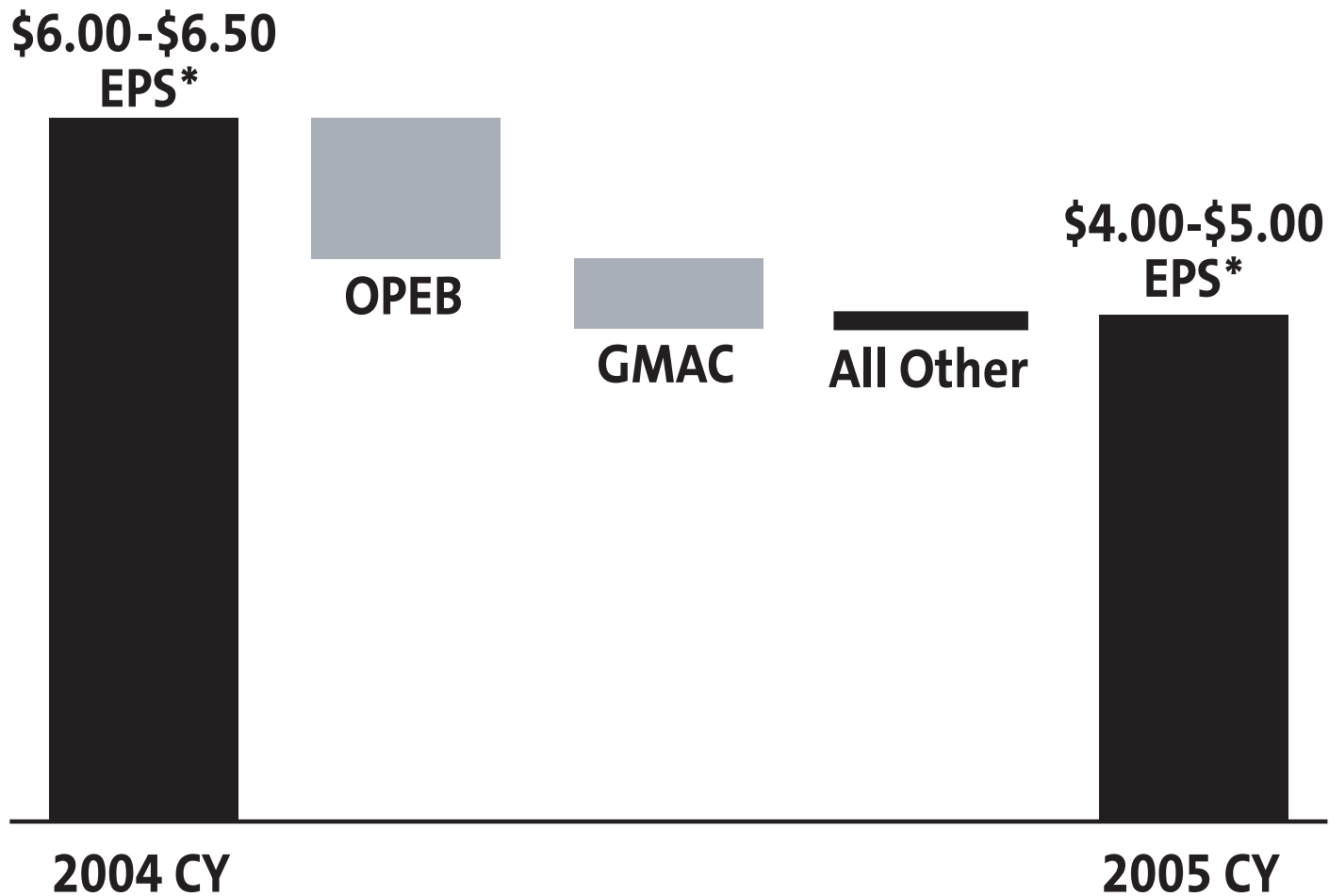
GMLAAM – 2005 Industry Overview

- Industry expected to be 4.4M vehicles (up 3%)
 - Political and economic uncertainties remain
- Expect 4.0% GDP growth
- Brazilian market key to GM's performance
 - Stable market of 1.6M
 - Moderation of inflation/interest rates
 - Expect 3.5% GDP growth (4.3% in '04)

GMLAAM – 2005 Earnings Outlook

- Expect 2005 net income of \$100 million
 - Second year of positive net income
- All operating units targeted to be profitable
- Major new products introduced in Brazil/Andean region
- Continue to grow sales in the Middle East/Africa
 - Leverage GMDAT products (Aveo, Optra, Epica) and GMNA products (mid-size utilities, luxury vehicles)
 - Aggressively position Cadillac as top luxury brand in Middle East/Africa

GM Net Income – 2005 Earnings Walk



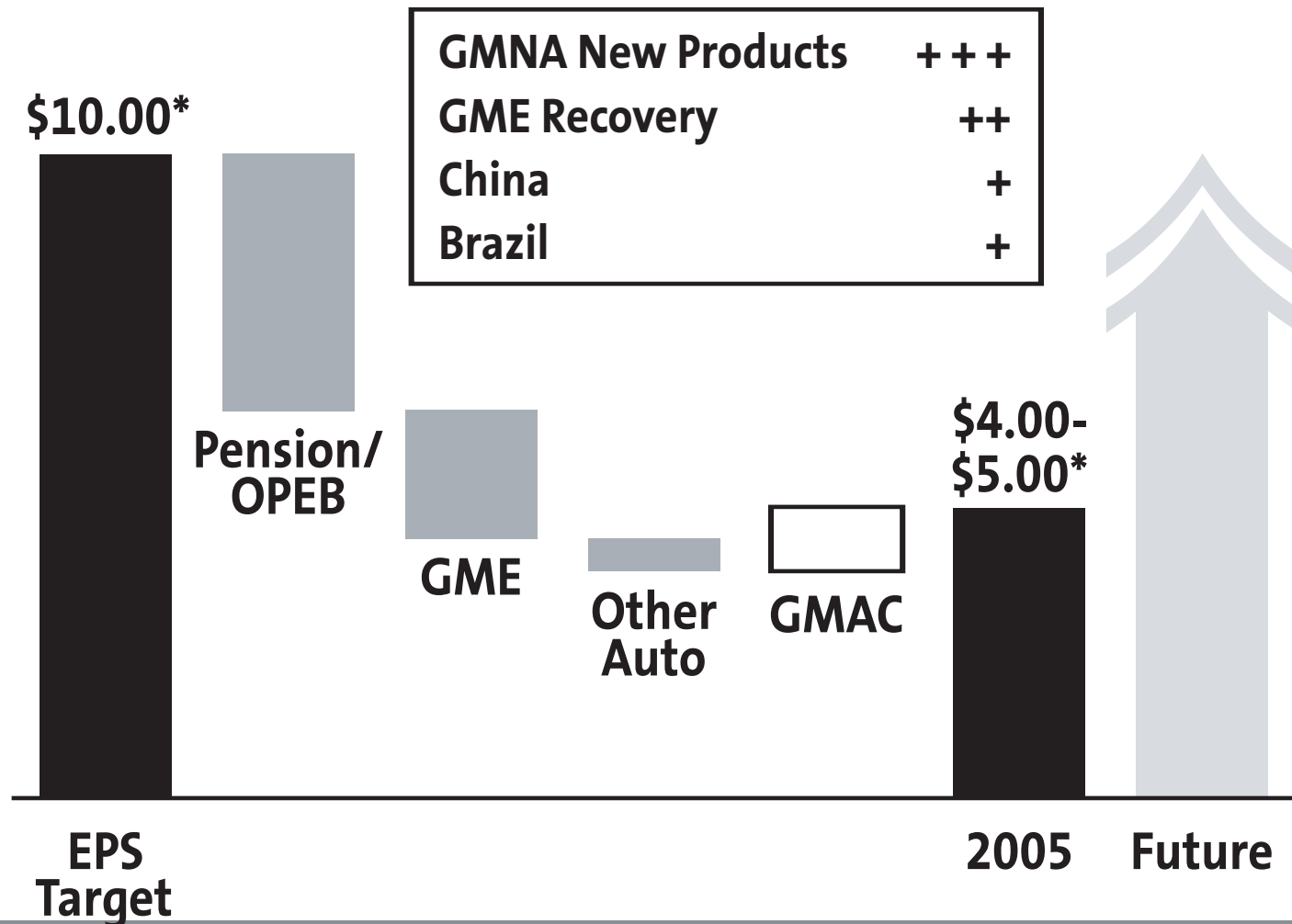
* Excluding any special items; at current dilution levels

2005 Operating Cash Flow

- Auto Operating Cash Flow target of \$2 billion*
 - Continue to generate strong automotive cash flow
- Reduction from 2004 operating cash flow primarily due to:
 - Higher capital expenditures (\$8 billion) driven by full-size utilities/truck launches
 - Higher health care spending
- Additionally expect \$2B dividend from GMAC

* Excludes any one-time items

\$10 EPS Remains Goal – But Beyond 2006



*EPS targets at current dilution levels and excluding Special Items

2005 CY Priorities/Targets

■ Priorities

- \$4.00-\$5.00 EPS*
- Operating cash flow of \$2B**
 - Capital spending of \$8B
- Grow global volume

■ Regional/Sector Income Targets

- North America: \$500M
- Europe: \$(500)M
- LAAM: \$100M
- Asia-Pacific: \$600M
- GMAC: ≥\$2,500M

* EPS excluding any special items; at current dilution levels

** Excludes any one-time items

Summary

- 2004 earnings on track to current guidance and original target
- 2005 earnings lower primarily due to increased health care expense and lower GMAC earnings
- Project strong profit recovery in 2006/2007